

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7078

BILL NUMBER: SB 229

DATE PREPARED: Dec 22, 2000

BILL AMENDED:

SUBJECT: Health Care Ombudsman.

FISCAL ANALYST: Sherry Fontaine

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Department of Insurance to establish an Office of Health Care Ombudsman. The bill requires the Commissioner of the Department of Insurance to appoint a Health Care Ombudsman. It also specifies the functions and responsibilities of the Office of Health Care Ombudsman and the Health Care Ombudsman.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill establishes the Office of the Health Care Ombudsman in the Department of Insurance. The bill provides for the following duties for this Office:

1. Assist consumers with health benefit plan selection by providing information, referral, and assistance for obtaining health benefit plan coverage and services.
2. Assist health benefit plan consumers in understanding consumer rights and responsibilities under a health benefit plan.
3. Provide information and recommendations to the public, agencies, legislators, and others for the resolution of problems and concerns of health benefit plan consumers.
4. Identify, investigate, and assist in resolving health benefit plan consumers' complaints, including filing complaints and appeals.
5. Analyze and monitor the development and implementation of federal, state, and local laws, regulations, and policies related to health plans.
7. Ensure that health benefit plan customers have timely access to the services provided by the Office.

Costs for this Office will depend on administrative action. However, a somewhat comparable office and position of Long-Term Care Ombudsman exists within the Department of Family and Social Services. The administrative budget for the Office of the Long Term Care Ombudsman is provided in the table, below. (One area that may differ is the line item “services by contract”. The responsibilities of the Office of the Long Term Care Ombudsman include training and related costs for outreach efforts. These costs may not be a significant component of the Health Care Ombudsman duties.)

ITEM	Budget
Personnel Costs (Ombudsman)	\$56,700
Other Services (i.e. telephone, subscriptions)	\$4,820
Services by Contract	\$45,076
Supplies	\$14,806
Equipment	\$3,682
Indirect Costs	\$7,710
Out-of-State Travel	\$2,500
Total Costs	\$135,294

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Insurance.

Local Agencies Affected:

Information Sources: Family and Social Services Administration, Office of the Long-Term Care Ombudsman.